

TOWN ADMINISTRATOR

The Town Administrator, by Charter serves as Stow's Chief Administrative Officer. In this capacity, the Town Administrator manages the day-to-day operations of the town, functions as its chief fiscal officer, chief procurement officer, chief personnel officer and its primary contract negotiator. In addition, this position serves the Town as chairman of the dispatch communications administrative body, as the labor union grievance hearing appeal officer, the sexual harassment officer and the public records management officer. Throughout the year 2012, the Town Administrator was actively engaged in managing significant matters in each of these areas.

The most notable aspect of this job is developing the annual operating budget. As has been the case for many years, at the Annual Town Meeting in May 2012 the Town Administrator recommended a balanced FY-2013 budget within the limits prescribed by proposition two and one-half. In fact, the FY-2013 budget approved at Town Meeting left the Town with unused levy capacity in the amount of \$1,488,481, a historical high. The FY-2013 municipal budget is a level-services budget. The most noteworthy increase in the FY-2013 budget is the annual debt service payment.

For FY-2013 the Town's annual debt payment increased by 12% to \$1,854,395. This significant increase is due primarily to the fact that the interest payment on the 8 million dollar second bond issuance for the Center School project is due in FY-2013. The first bond issuance of 9 million dollars has now been fully loaded into the Town's debt schedule and the full financial impact of the second borrowing will be felt in FY-2014. Both of these substantial annual debt payments will be on the books for the next 25 years.

It is important to note that at a Special Town Meeting and election held last November, the voters did not approve proceeding with the design development phase on three new building improvement projects: the library, the fire station and the community center. The Town's debt burden will necessarily increase, if and as, each of these three projects proceeds to full design and construction.

The FY-2013 budget transfers \$50,000 from Free Cash to the Stabilization Fund in a continuing effort to increase the amount of the Town's stored assets. Also, \$200,000 in Free Cash has been provided in FY-2013 to fund a number of non-bonded capital improvement projects. The same total amount of Free Cash was appropriated for the same two purposes in each of the last several years.

The Town's Free Cash account is currently certified at \$1,395,874. The Town's Stabilization Fund account balance, including the \$50,000 that was transferred at last May's Annual Town Meeting is \$773,200. Combined, the current Free Cash and Stabilization Fund balance of \$2,169,074 is at an all-time high. We are fortunate to be able to continue to grow our stored asset accounts during these difficult economic times.

Looking forward to next year's FY-2014 budget, it will be necessary to limit our total budget expenditures to approximately 4% above the current fiscal year if we hope not to exceed the projected percentage increase in total recurring revenues. Stow's operating budget is structurally constrained by several revenue impediments that make it increasingly more difficult to balance annual operating budgets.

Most importantly, during the last two decades the Town's tax base has provided an increasingly large percent of the town's annually recurring revenues. It currently provides approximately 90 percent and this problematic trend is continuing. By comparison, Stow's municipal state aid revenue, on average, represents only 3 percent of the Town's total annual revenues. And there is little expectation that this small revenue source will increase appreciably in the future. Similarly, the Town's annual local receipts revenues generally represent only 7% of the Town's total revenues. This problem is compounded by the fact that our tax base is almost completely undiversified.

Currently, approximately 92% of the Town's tax base is residential. In the 1990s, residential taxes represented 89% of the total tax base. Further, through various governmental programs, approximately 50 percent of the Town's total taxable property is either exempted from taxation or the full tax amount is abated significantly.

The painful truth is that Stow's residential taxpayers receive negligible revenue relief from an insignificant commercial, industrial and personal property tax base that continues to shrink. At this time there is little indication there will be any meaningful growth in commercial or industrial taxes in the foreseeable future.

There were two special projects of note undertaken by the Town Administrator in 2012. First, the Town Administrator chaired a committee that spent several months evaluating in-house candidates to recommend to the Board of Selectmen for promotion to the position of police sergeant. After a comprehensive due diligence process, we recommended Darren Thraen for promotion and he was unanimously appointed sergeant by the Selectmen. Second, without warning, in June the Town was notified that the General Contractor for the Center School construction project was filing bankruptcy and could not continue to fulfill its obligations under the contract. Consequently, the Town Administrator was required to negotiate over three months to execute a Takeover Agreement with the bonding company Western Surety to allow their direct involvement in project management and to execute a Completion Contractor Agreement with Brait Construction Company to become the new General Contractor. During the transition, we had to ensure that the construction work continued uninterrupted.

The Town Administrator is directly responsible for managing and controlling the use of Town Counsel services. As it relates to litigation in 2012, there are a number of on-going administrative legal cases. A few lawsuits relate to various ZBA and Planning Board decisions that have been challenged by permit applicants. However, at the moment there are no significant claims against the Town that expose us to substantial monetary loss.

As the Town's labor contract negotiator, the Town Administrator maintains a close working relationship with our fire, police, clerical and fire unions. For the last two decades, the town's

four labor unions and Town Administrator have successfully negotiated every labor agreement without once reaching an impasse or filing for arbitration. This cooperative track record is a tribute to both our union employees and management.

In addition to the specific management responsibilities detailed above, the Town Administrator is generally engaged in regularly attending to matters critical to the day-to-day operations of the town. In performing these duties, the Town Administrator is regularly in direct contact with most departmental staff and many Town board and committee members. Finally, due diligence requires that the Town Administrator frequently work directly with local, state and federal agencies and officials, the public and various private groups and individuals.

Respectfully submitted,

William Wrigley
Town Administrator

Susan McLaughlin, Administrative Assistant
Phoebe Haberkorn, Office Assistant

PLANNING BOARD

A five-member elected board with one appointed associate voting member, the Planning Board has specific statutory requirements. The Board reviews and approves the division of land under the State Subdivision Control Law (MGL c. 41) and the Stow Subdivision Rules and Regulations; serves as a special permit-granting authority under the State Zoning Act and the Stow Zoning Bylaw; guides the process of Zoning Bylaw amendments under the State Zoning Act (MGL c. 40A); and adopts a Master Plan that is designed to provide a basis for decision making regarding the long-term physical development of the town MGL c.41).

By statute, the Board is charged with the responsibility of protecting the health, safety and welfare of Stow's residents. Guided by the Massachusetts General Laws, the Stow Zoning Bylaw, the 2010 Stow Master Plan, and citizens' comments and concerns, the Board strives to preserve and enhance the integrity of Stow's character through the use of these regulatory tools, while safeguarding property owners' rights. We recommend and specify changes to development proposals to achieve these goals. Board members and staff strive to work with both applicants and residents to help shape projects so as to positively affect the impact to the community.

The Planning Department also tracks building permits for affordable housing units and submits the necessary documents to the Department of Housing and Community Development for certification.

The Planning Department provides GIS mapping services to various town boards and committees.

Organization

At the annual election, Stephen Quinn was elected to a 5-year term. We were happy that voters chose to elect him for another 5-year term. In February, the Planning Board and Board of Selectmen voted to appoint Kathleen Sferra as an interim Planning Board Member, filling the